

ECONOMIC DEVELOPMENT, IOWA DEPARTMENT OF[261]

Adopted and Filed

Pursuant to the authority of Iowa Code sections 15.104 and 15.106, the Iowa Department of Economic Development hereby amends Chapter 25, "Housing Fund," Iowa Administrative Code.

The amendments extend the time frame for waiver of a local match requirement for one additional year, increase the allowable interest rate on participating mortgages by 2 percent, and clarify the maximum dollar amounts allowable under the program for various activities, while retaining the same overall allowable maximum cost per unit.

Notice of Intended Action was published in the Iowa Administrative Bulletin on September 23, 2009, as **ARC 8149B**.

A public hearing was held on October 14, 2009, to receive comments about the proposed amendments. No comments were received at the public hearing or in writing. These amendments are identical to those published under Notice.

The Iowa Economic Development Board adopted these amendments on November 19, 2009.

These amendments will become effective on February 3, 2010.

These amendments are intended to implement Iowa Code section 8.41.

The following amendments are adopted.

ITEM 1. Amend subrule 25.6(7) as follows:

25.6(7) An application for a project located in a locally designated participating jurisdiction (PJ) must show evidence of a financial commitment from the local PJ at least equal to 25 percent of the total IDIED HOME funds requested. Sources of a local PJ financial commitment could include one or more of the following: HOME, CDBG, TIF, tax abatement, or general funds. This requirement is waived for awards made by the department during federal HOME program year ~~2009 (October 1, 2008 – September 30, 2009)~~ 2010 (October 1, 2009 – September 30, 2010).

ITEM 2. Amend subparagraph **25.6(8)“c”(1)** as follows:

(1) Loan interest rates may be no higher than ~~two~~ four percentage points above the federal prime interest rate at the time of loan closing;

ITEM 3. Amend paragraph **25.8(7)“a”** as follows:

a. The maximum per unit subsidy for all single-family activities involving rehabilitation is \$37,500. The \$37,500 per unit limit includes all applicable costs including, but not limited to, the hard costs of rehabilitation or the acquisition subsidy or both; home ownership assistance activities; technical services costs, including lead hazard reduction ~~or abatement~~ carrying costs; lead hazard reduction ~~or abatement~~ costs; and temporary relocation. All rehabilitation hard costs funded with housing funds are limited to \$24,999. All applicable technical services costs, including any lead hazard reduction or abatement carrying costs, are limited to \$4,500 per unit.

[Filed 12/3/09, effective 2/3/10]

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EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 12/30/09.